Ref: NEP-AC 010/2026

November 14, 2026

Subject: Management Discussion and Analysis of Operating Results for the Third Quarter of 2026 Ended 30 September 2026

To: The Directors and Managers,
The Stock Exchange of Thailand

1. Overview of Business Operations for the Third Quarter of 2026 Ended 30 September 2026

For the third quarter of 2026, the Company focused on strengthening business stability and driving revenue growth through the management of a diversified product portfolio and the continuous expansion of marketing channels. The Company leveraged the strengths of its own branded products, eco-friendly lifestyle products, consumer goods, and the Trading business to achieve a more balanced revenue structure, reduce reliance on any single channel, and reach a broader range of consumers. The key operating activities of each business group are as follows:

1. **VAVA Z Brand Product Group (Circular Upcycling Products)**

   The lifestyle and eco-friendly fashion products under the VAVA Z brand play an important role in strengthening the Company's positioning in Sustainability and its Circular Economy business model.

   - **Strength of the OEM/ODM business:** Performance in the customized bag segment reflects the brand's capabilities and customer confidence, resulting in a significant increase in delivery volumes and monthly deliveries exceeding the Company's targets.
   - **Growing momentum in online and direct-to-consumer channels:** The Company continued to drive marketing and sales activities through online channels and brand-managed sales channels, helping expand its reach among retail customers and diversify the brand's revenue base.
   - **Future opportunities for portfolio expansion:** Preparations for new product categories, such as premium OEM products, food packaging, and Trading products, provide an important foundation for the Company's vision of identifying new business opportunities and responding to increasingly diverse market demands

2. **WISE Brand Product Group (Premium Packaging / Zipper Bags)**

   The premium packaging products under the "WISE" brand were one of the key drivers in building the Company's Consumer Brand during the quarter, with the following key highlights and developments:

- **Establishing a Strong Foundation for the New Business:** The new business under the WISE brand continued to generate sales throughout the period, reflecting its potential to penetrate new markets and successfully build brand awareness among consumers.
- **Success in E-commerce Channels:** Online channels, particularly the Shopee platform, demonstrated strong potential and became a key driver of sales, indicating that the products effectively respond to the purchasing behavior of modern consumers.
- **Expanding with New Innovative Products:** The Company introduced and expanded its range of innovative products into the market, strengthening the brand, enhancing its competitive differentiation, and creating opportunities to reach new target customer segments.
- **Opportunities to Expand into New Channels:** The business is currently focusing on expanding its customer base and driving further growth through Modern Trade and B2B customer segments, which are expected to be key drivers of future sales growth.

3. Trading Business

The Trading business, comprising the purchase and resale and distribution of consumer goods (such as garbage bags and other products), served as an important mechanism in supporting cash flow and the Company's overall operating performance during the quarter.

- **Agility and Establishment of a B2B Revenue Base:** The business was able to respond quickly and flexibly to the needs of B2B customers, enabling the Company to retain its customer base and generate consistent sales from corporate customers.
- **Strengthening Business Balance and Diversifying Business Risk:** Revenue from the Trading business complemented the VAVA Z and WISE branded products, resulting in a more balanced and resilient revenue structure and reducing the Company's reliance on any single sales channel.

4. Real Estate Rental Business

- Following the restructuring of its business operations toward branded products and the Trading business, the Company has been able to manage its unused factory space more efficiently. Accordingly, the Company has sought potential tenants to maximize the utilization of its existing assets. These efforts are ongoing, with periodic expressions of interest and inquiries from brokers and representatives of foreign investors. The Company is currently considering the allocation of space to ensure that it aligns with the intended usage requirements of prospective tenants.

5. Maintaining the Investment in NNCL Shares

- The Company continues to maintain its investment proportion in NNCL shares. During the quarter, the associate recorded significant growth in its operating performance, enabling the Company to consistently recognize its share of profit from investments and receive dividend income. These serve as sources of cash inflows that help enhance liquidity and strengthen the Company's overall financial position.

2. Summary of Significant Events and Key Developments

- The Board of Directors' Meeting of NEP Realty and Industry Public Company Limited No. 11/2025, held on 18 December 2025, approved the Company's 2026 Business Plan. The Company would continue its core business operations under the VAVA-Z and WISE brands, with an emphasis on accelerating sales growth to achieve the established targets. In addition, the Company planned to invest in the Trading business, covering various other product categories.
- The Board of Directors' Meeting of NEP Realty and Industry Public Company Limited No. 2/2026, held on 27 February 2026, approved the amendment and addition of the Company's objectives and the amendment to Clause 3 (Objectives) of the Company's Memorandum of Association. The Board resolved to propose these amendments to the 2026 Annual General Meeting of Shareholders, held via the E-AGM platform on 29 April 2026. The Annual General Meeting of Shareholders approved the amendment and addition of the Company's objectives and the amendment to Clause 3 (Objectives) of the Memorandum of Association to ensure that they adequately cover and support the Company's new business structure.
- On May 21, 2026, the Stock Exchange of Thailand (SET) conducted its annual review of the Industry Group and Sector classifications of listed companies for 2026 and announced the reclassification of the Company. Following the cessation of its plastic woven sack and flexible packaging manufacturing and distribution business, and its strategic shift toward the production and distribution of bags and lifestyle products, the Company was reclassified from the Industrials Industry Group, Packaging Sector, to the Consumer Products Industry Group, Fashion Sector.
- The Board of Directors' Meeting of NEP Realty and Industry Public Company Limited No. 4/2026, held on 15 May 2026, approved the revision of the Company's 2026 Business Plan. Management incorporated additional sales targets from the Trading business and adjusted the sales targets for the VAVA-Z brand business to align with the actual operating performance in 2025.

3. Summary of Operating Results

NEP Realty and Industry Public Company Limited would like to provide an explanation of its operating results for the third quarter of 2026, ended September 30, 2026, compared with the same period in 2025, as detailed below.

For the three-month period of the third quarter of 2026, ended September 30, 2026

The Company reported a net loss of 1.13 million baht for the three-month period of the third quarter of 2026, compared with a net profit of 9.18 million baht in the same period of 2025, representing a decrease in operating results of 10.31 million baht. The key contributing factors are as follows:

1. Sales Revenue and Other Income

In the third quarter of 2026, ended September 30, 2026, the Company recorded revenue from sales of 42.94 million baht, an increase of 38.23 million baht from 4.71 million baht in the same period of the previous year. This growth was primarily driven by the expansion of the Trading business.

During the third quarter of 2026, the Company focused on business expansion and diversifying its revenue sources by operating both its own branded product businesses, namely VAVA Z and WISE, and the Trading business. These efforts aimed to enhance market opportunities, expand the customer base, and broaden distribution channels to reach both consumer and corporate customer segments.

In addition, the Company recorded service revenue of 0.34 million baht and rental income from real estate of 3.66 million baht, increasing from rental income of 0.38 million baht in the same period of the previous year. Meanwhile, Other Income amounted to 0.15 million baht, a decrease of 0.04 million baht from 0.19 million baht in the previous year. Other Income mainly comprised interest income from bank deposits and other miscellaneous income, with no significant changes in these items. As a result, the Company recorded total revenue of 47.09 million baht, an increase of 41.80 million baht from the same period of the previous year.

2. Cost of Sales and Gross Profit

In the third quarter of 2026, the Company recorded total costs of 43.45 million baht, comprising cost of sales of 40.83 million baht, cost of services of 0.35 million baht, and rental costs of 2.27 million baht. The Company reported a gross profit of 3.49 million baht, representing a gross profit margin of 7.44% of revenue. This reflected the Company's ability to manage costs in line with revenue growth while maintaining an appropriate gross profit margin. The Company continues to focus on cost management across each business segment to support sustainable profitability.

Compared with the same period of the previous year, when total costs amounted to 3.42 million baht, total costs increased by 40.03 million baht. This increase was primarily attributable to higher cost of sales in line with the expansion of revenue and sales volume, particularly in the Trading business, as well as increases in the costs of certain products in line with raw material prices and related expenses.

Nevertheless, the Company continues to emphasize cost management in line with business growth, focusing on controlling costs across each business segment, selecting products that meet market demand, and increasing the proportion of sales from products with appropriate profit margins. These efforts are intended to support the Company's profitability and continuously improve operational efficiency.

3. Distribution costs

In the third quarter of 2026, the Company recorded distribution costs of 1.52 million baht, representing 3.24% of total revenue. This increased by 0.38 million baht, or 33.33%, from 1.14 million baht in the same period of 2025, when distribution costs accounted for 22.40% of total revenue.

The increase in distribution costs was primarily attributable to the expansion of the Trading business and sales of the Company's branded products, which resulted in higher selling-related expenses in line with increased business volume. However, distribution costs as a proportion of total revenue decreased from 22.40% in the previous year to 3.24% in the current year, as total revenue grew at a higher rate than distribution costs.

4. Administrative expenses

In the third quarter of 2026, the Company recorded administrative expenses of 5.80 million baht, representing 12.32% of total revenue. This decreased by 0.22 million baht, or 3.65%, from 6.02 million baht in the same period of 2025, when administrative expenses accounted for 113.80% of total revenue.

The decrease in administrative expenses, together with the significant increase in the Company's revenue, resulted in a marked reduction in the ratio of administrative expenses to revenue, reflecting improved efficiency in expense management and control.

The Company continues to emphasize effective expense management, focusing on maximizing resource utilization while expanding revenue from its core businesses and generating additional

income from other businesses and assets. These efforts are expected to support continued growth in operating performance and strengthen the Company's financial position.

5. Executive compensation

In the third quarter of 2026, the Company recorded management remuneration expenses of 2.30 million baht, an increase of 0.61 million baht, or 36.09%, from 1.69 million baht in the same period of 2025. The increase was primarily attributable to higher operating and administrative expenses to support the Company's business expansion plans and drive sales growth in line with its established targets.

The increase in management remuneration was also consistent with the expanded role of management in overseeing and driving the Company's increasingly diversified business operations, particularly the expansion of the Trading business, the development of the VAVA Z brand, and the generation of revenue through the management of the Company's assets. These activities require close decision-making and monitoring of operating performance to ensure that business operations achieve the Company's targets and support its future growth.

6. Financial expenses

In the third quarter of 2026, the Company recorded finance costs of 0.01 million baht, remaining relatively unchanged from 0.01 million baht in the same period of 2025. Finance costs mainly comprised interest expenses arising from hire-purchase agreements. As the Company has no long-term borrowings from financial institutions, finance costs remained at a low level and did not have a material impact on the Company's operating results.

7. Share of profit (loss) from investments in joint ventures

In the third quarter of 2026, the Company recognized a share of profit from investments in associates of 4.81 million baht, a decrease of 11.31 million baht, or 70.16%, from 16.12 million baht in the same period of the previous year. This decrease was primarily attributable to lower operating profit recorded by the associate compared with the same period of the previous year, resulting in a corresponding decrease in the Company's share of profit from investments in associates.

For the Nine-Month Period Ended September 30, 2026

For the nine-month period ended September 30, 2026, the Company recorded a net profit of 36.78 million baht, compared with a net profit of 10.68 million baht in the same period of 2025, representing an increase of 26.10 million baht. The key contributing factors are as follows:

1. Sales Revenue and Other Income

For the nine-month period of 2026, the Company recorded revenue from sales, services, and rental income of 72.27 million baht, an increase of 59.57 million baht, or 469%, from 12.70 million baht in the same period of 2025.

The increase in revenue was primarily attributable to business expansion and sales of the Company's branded products, particularly VAVA Z, which features a Circular Upcycling concept, as well as the expansion of the Trading business. In addition, the Company generated service revenue and rental income from its factory building, with rental income recognized from February 1, 2026 onward.

The increase in revenue reflects the results of the Company's expanded business activities across product sales, services, and factory building rentals, resulting in more diversified revenue streams. The Company continues to focus on maintaining its revenue base and pursuing new business opportunities, while developing products and distribution channels to meet customer demand and support long-term business growth.

Other Income for the nine-month period of 2026 amounted to 0.81 million baht, compared with 0.97 million baht in the same period of 2025, representing a decrease of 0.16 million baht. Other Income mainly comprised interest income from bank deposits and other miscellaneous income.

2. Cost of Sales and Gross Profit

For the nine-month period of 2026, the Company recorded total costs of sales, services, and rentals of 63.86 million baht, an increase of 55.31 million baht from 8.55 million baht in the same period of the previous year. This increase was in line with the expansion of revenue and business volume, particularly in the Trading business, as well as costs associated with the provision of services and rental of factory space.

The Company recorded a gross profit of 8.41 million baht, representing a gross profit margin of 11.64% of revenue from sales, services, and rental income. This reflected the Company's ability to manage costs in line with business expansion.

The increase in costs was consistent with the growth in business volume. The Company continues to emphasize cost management and evaluate the returns of each business segment to maintain an appropriate level of profitability.

3. Distribution costs

For the nine-month period of 2026, the Company recorded distribution costs of 3.25 million baht, a decrease of 0.94 million baht, or 22.43%, from the same period of the previous year. Distribution costs accounted for 4.50% of revenue, down from 32.99% in the previous year.

The decrease in distribution costs occurred despite an increase in the Company's revenue, reflecting its ability to appropriately manage selling and distribution expenses by making more effective use of existing sales channels and resources. Consequently, distribution costs increased at a lower rate than revenue, helping support the Company's overall operating performance.

4. Administrative expenses

For the nine-month period of 2026, the Company recorded administrative expenses of 17.53 million baht, a decrease of 0.87 million baht, or 4.73%, from 18.40 million baht in the same period of the previous year. Administrative expenses accounted for 23.99% of total revenue, down from 134.64% in the same period of the previous year.

The decrease in administrative expenses, together with the increase in the Company's revenue, resulted in a significant reduction in the ratio of administrative expenses to revenue. This reflected improved expense control and more appropriate resource management in line with business expansion.

The Company continues to focus on efficient expense management while expanding its Trading business, sales of products under the VAVA Z and WISE brands, and the utilization of its assets to generate additional revenue.

5. Executive compensation

For the nine-month period of 2026, the Company recorded management remuneration expenses of 6.54 million baht, an increase of 1.55 million baht, or 31.06%, from 4.99 million baht in the same period of the previous year. The increase was primarily attributable to adjustments to management remuneration and related administrative expenses to support business expansion and the increased scope of management responsibilities.

This increase was consistent with the expansion of the Company's business operations, which now encompass the Trading business and packaging products, as well as the development of products under the VAVA Z and WISE brands and asset management to generate rental income. These activities

have resulted in increased responsibilities for business planning, supervision, and performance monitoring across each business segment.

6. Financial expenses

For the nine-month period of 2026, the Company recorded finance costs of 0.04 million baht, remaining relatively unchanged from 0.05 million baht in the same period of 2025. Finance costs mainly comprised interest expenses arising from hire-purchase agreements. As the Company has no long-term borrowings from financial institutions, finance costs remained at a low

7. Share of profit (loss) from investments in joint ventures

For the nine-month period of 2026, the Company recognized a share of profit from investments in associates of 54.78 million baht, an increase of 21.75 million baht, or 65.84%, from 33.03 million baht in the same period of 2025.

Financial Position

1. Total Assets: As of September 30, 2026, the Company had total assets of 638.98 million baht, an increase of 45.29 million baht, or 7.63%, from December 31, 2025. The increase in total assets was primarily in line with business expansion and the recognition of returns from investments in associates. The key details are as follows:

1.1 Current Assets : As of September 30, 2026, the Company had current assets of 57.76 million baht, an increase of 28.24 million baht, or 95.63%, from December 31, 2025. The main factor was an increase of 37.13 million baht in trade and other current receivables, in line with higher revenue from sales and services. During the nine-month period of 2026, the Company recorded a significant increase in revenue from sales and services compared with the previous year. Meanwhile, cash and cash equivalents decreased by 7.27 million baht due to the use of working capital to support business operations.

1.2 Non-Current Assets : As of September 30, 2026, the Company had non-current assets of 581.21 million baht, an increase of 17.05 million baht, or 3.02%, from December 31, 2025. This increase was primarily attributable to a 21.24 million baht increase in investments in associates, resulting from the recognition of a share of profit from investments in associates of 54.78 million baht for the nine-month period of 2026. This represented an increase of 21.75 million baht, or 65.84%, compared with 33.03 million baht in the same period of the previous year, thereby increasing the carrying value of investments in associates.

2. Total Liabilities: As of September 30, 2026, the Company had total liabilities of 15.79 million baht, an increase of 8.50 million baht, or 116.60%, from December 31, 2025. The increase was primarily attributable to liabilities related to the Company's business operations and property rental activities.

2.1 Current Liabilities: As of September 30, 2026, the Company had current liabilities of 11.06 million baht, an increase of 6.99 million baht, or 171.74%, from December 31, 2025. The main factor was an increase of 6.85 million baht in trade and other current payables, in line with increased business activities and higher product purchases to support revenue growth during the nine-month period.

2.2 Non-Current Liabilities: As of September 30, 2026, the Company had non-current liabilities of 4.74 million baht, an increase of 1.52 million baht, or 47.20%, from December 31, 2025. The increase was primarily attributable to the recognition of rental deposits of 1.52 million baht, corresponding to the increase in rental income from leasing the Company's premises and buildings, as well as an increase in lease liabilities arising from the Company's operations.

3. Shareholders' Equity: As of September 30, 2026, shareholders' equity amounted to 623.18 million baht, an increase of 36.78 million baht, or 6.27%, from December 31, 2025. The increase was primarily attributable to the Company's net profit for the nine-month period of 2026.

Overall Summary of Operating Performance

For the nine-month period ended September 30, 2026, NEP Realty and Industry Public Company Limited reported operating results reflecting the successful restructuring of its business operations and effective asset management. The Company recorded total operating revenue of 73.08 million baht and a net profit of 15.54 million baht in its separate financial statements, supported by effective cost management and improved operational efficiency. Meanwhile, the financial statements in which investments are accounted for using the equity method reported a net profit of 36.78 million baht.

These results demonstrate that, in addition to the recovery of the Company's own core businesses and their return to profitability, the associate in which the Company has invested also delivered strong and outstanding growth in operating performance. This enabled the Company to recognize a significant share of profit, further strengthening its overall financial performance.

Future Business Direction and Operational Strategies

- VAVA Z Brand
    1. **Building on Success and Ensuring Smooth Production Scheduling:** The Company will focus on maintaining the standards and efficiency of its OEM/ODM operations to ensure consistent production performance. It will also proactively manage delivery schedules to provide customers with the best possible experience and service at all times.
    2. **Expanding Online Marketing and Reaching Target Customers More Effectively:** The Company will strengthen its digital marketing activities and develop creative campaigns that align with

the lifestyles of modern consumers to drive sustainable growth in online sales and direct-to-consumer products.

3. **Developing New Product Categories to Support Long-term Growth:** The Company will continue to develop and promote premium products and new alternative product categories, preparing them for full-scale market launches. These efforts aim to diversify the product portfolio and strengthen the VAVA Z brand's position as a leading brand in the lifestyle products and OEM/ODM markets.

- WISE Brand
    1. **Highlighting Product Innovation:** WISE Stretch'n Close is designed based on the Lightweight Design concept to optimize material utilization. Its increased capacity reduces the need for multiple bags to store the same quantity of food. Combined with its food freshness-preserving properties and ability to extend food shelf life, the product helps reduce food waste, promote efficient resource utilization, and support responsible consumption, in alignment with the BCG Economy Model and ESG principles.
    2. **Proactive Expansion of Distribution Channels (Omnichannel Expansion):** The Company will focus on building on its success in online channels by expanding partnerships with Modern Trade operators and broadening its presence across modern retail channels to provide greater convenience and reach consumers across multiple touchpoints.
    3. **Enhancing Marketing Strategies and Brand Building (Brand Building & Engagement):** The Company will intensify communication of the product's key features and benefits to increase brand awareness among a wider audience and reinforce consumer confidence in the quality of the WISE brand.
    4. **Strengthening Business Relationships and Expanding the B2B Customer Base:** The Company will continue to build networks and develop partnerships with business customers to establish long-term relationships and expand distribution channels for high-quality products, supporting sustainable business growth.
- **Trading Business (Purchase and Resale):** The Company focuses on expanding its Trading business, which is a highly flexible business segment capable of generating returns and supporting rapid cash flow turnover. By leveraging its expertise, business partner networks, and efficient supply chain management, the Company aims to drive sales growth and continuously expand its customer base.
- **Real Estate Rental Business:** The Company is proactively seeking and selecting prospective tenants with strong financial standing to fully utilize the remaining available factory and warehouse space. This strategy not only helps generate consistent and predictable recurring income over the long term but also enhances the utilization of existing assets to maximize returns.

- **Preserving the Value of Investments in Associates:** The Company places importance on prudent strategic investment portfolio management, together with close monitoring of operating performance and effective management of dividend income received from associates. These efforts aim to strengthen the Company's financial position and liquidity while supporting sustainable growth in business value, ultimately generating attractive long-term returns for shareholders.

The Company's operating performance during this period reflects the successful transformation of its business structure toward greater balance and sustainability. This has been achieved by combining the strengths of the Company's branded products, eco-friendly lifestyle products, consumer goods, and Trading business, together with the effective management of its assets and investments to maximize their value. Looking ahead, the Company remains committed to expanding distribution channels, developing innovative products, and generating recurring income from rental properties to strengthen its financial position and deliver sustainable returns to shareholders and all stakeholders.

Please be informed accordingly.
Sincerely yours,

Mrs. Thicomporn Chai-iam
Managing Director
NEP Realty and Industry Public Company Limited